BEFORE THE POSTAL REGULATORY COMMISSION

Annual Compliance Report 2020		: : :	Docket No. ACR2020

MOTION OF UNITED PARCEL SERVICE, INC. FOR ISSUANCE OF INFORMATION REQUEST TO THE UNITED STATES POSTAL SERVICE (January 21, 2021)

In accordance with 39 C.F.R. § 3050.11(c), United Parcel Service, Inc. ("UPS") respectfully requests that the Presiding Officer issue an Information Request to the Postal Service to obtain answers to the appended set of questions. These questions are intended to provide greater clarity regarding some of the complex costing practices that underlie the Annual Compliance Report. Answers to these questions will serve the important goal of providing additional transparency regarding Postal Service costing practices to the public and to interested parties and may point to ways in which those practices can be improved or by which apparent anomalies can be addressed. As the Commission has observed, the Postal Accountability and Enhancement Act "relies on public transparency . . . to achieve its goal of Postal Service accountability." Dkt. No. RM2008-1, Order No. 194 (March 20, 2009) ("Order No. 194") at 2.

Respectfully submitted,

UNITED PARCEL SERVICE, INC.,

By: <u>/s/ Steig D. Olson</u> Steig D. Olson

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PROPOSED QUESTIONS:

- On page 47 of its 2020 Form 10-K Report, the Postal Service stated: "We purchased approximately 9,500 new vehicles to add to our fleet during 2020, at a cost of approximately \$389 million."
 - a. Please provide a summary of the types of vehicles purchased, including the quantity, cubic footage, and intended purpose associated with each type of new vehicle purchased in FY2020.
 - b. For each type of vehicle purchase in FY2020, please describe how the depreciation associated with these new vehicles (as opposed to the entire fleet, which is summarized in C/S 20.2 in the Cost Segments and Components report) is attributed to products. Specifically, what share is attributed to market dominant products, what share is attributed to competitive products, and what share is treated as institutional?
- 2. Please provide, for each of FY2018, FY2019, and FY2020, the share of competitive product volume that was delivered on each of the following route types: (a) city carrier letter routes; (b) city carrier special purpose routes; and (c) rural carrier routes. If an exact quantification is not possible, please provide the Postal Service's best estimate. Furthermore, please provide the basis for any calculations or estimates.